

1 **WO**

2
3
4
5
6 IN THE UNITED STATES DISTRICT COURT
7 FOR THE DISTRICT OF ARIZONA

8 Pulte Home Company LLC, et al.,

No. CV-22-01972-PHX-SPL

9 Plaintiffs,

ORDER

10 vs.

11 United Specialty Insurance Company,
12 et al.,

13 Defendants.
14

15 Before the Court is the parties' Joint Motion for Hearing on Discovery Dispute.
16 (Doc. 93). At issue is the disclosure of various insurance policies and claim files held by
17 Defendants United Specialty Insurance Company and Knight Specialty Insurance
18 Company's ("Defendants"), and the provision of a Fed. R. Civ. P. ("Rule") 30(b)(6)
19 corporate representative witness for deposition. After reviewing the record and hearing the
20 parties' oral arguments on October 10, 2024, the Court now rules as follows.

21 **I. BACKGROUND**

22 Plaintiffs Pulte Home Company LLC and Pulte Development Corp. ("Plaintiffs")
23 assert that they requested the policies and claim files through two separate written
24 discovery requests on April 8, 2024, and July 4, 2024. (*Id.* at 2). Plaintiffs served a notice
25 of deposition of a Rule 30(b)(6) witness on July 4, 2024, as well. (*Id.*). Defendants have
26 not produced the documents, and while they have provided general objections to the
27 requests, they have not provided a privilege log or other justification for their failure to
28 produce the documents. (*Id.*). With respect to the Rule 30(b)(6) deposition dispute, the

1 Joint Hearing Request asserts that Defendants failed to produce a witness for a deposition
 2 scheduled on August 21, 2024. (Doc. 93 at 3). After Plaintiffs rescheduled the deposition
 3 to September 25, 2024 upon Defendants' request, Defendants notified Plaintiffs that the
 4 witness would not appear at the rescheduled deposition, either. (*Id.*).

5 **II. LEGAL STANDARD**

6 "Parties may obtain discovery regarding any nonprivileged matter that is relevant to
 7 any party's claim or defense and proportional to the needs of the case" Fed. R. Civ.
 8 P. 26(b)(1). Relevance in this context "is defined very broadly." *Equal Emp. Opportunity*
 9 *Comm'n v. Scottsdale Healthcare Hosps.*, No. CV-20-01894-PHX-MTL, 2021 WL
 10 4522284, at *2 (D. Ariz. Oct. 4, 2021) (citation omitted). "The party seeking to compel
 11 discovery has the burden of establishing that its request satisfies the relevancy requirements
 12" *Id.* (citation omitted). Thereafter, "the party opposing discovery bears the burden of
 13 showing the disputed discovery is not relevant, a burden that is met by specifically detailing
 14 the reasons why each request is irrelevant." *V5 Techs. v. Switch, Ltd.*, 334 F.R.D. 306, 310
 15 (D. Nev. 2019).

16 Rule 30(b)(6), which provides guidelines for deposing organizations, imposes
 17 burdens on both the discovering party and the designating party. The party seeking
 18 discovery through a Rule 30(b)(6) deposition is required to describe "with reasonable
 19 particularity the matters for examination." Fed. R. Civ. P. 30(b)(6). Once served with the
 20 deposition notice under Rule 30(b)(6), the responding party is required to produce one or
 21 more witnesses knowledgeable about the subject matter of the noticed topics. *See Marker*
 22 *v. Union Fidelity Life Ins. Co.*, 125 F.R.D. 121, 126 (M.D.N.C. 1989).

23 **III. DISCUSSION**

24 In the present case, Plaintiffs contend that the policy language defines Defendants'
 25 obligations to Plaintiffs and is therefore essential to the action. (Doc. 93 at 2). Plaintiffs
 26 argue that the claims files are equally important because they reveal Defendants' handling
 27 of Plaintiffs' claims and relevant information about Defendants' beliefs and decisions
 28 about its coverage duties. (*Id.*). Because the scope of Defendants' coverage duties and

1 handling of Plaintiffs’ claims are clearly relevant to the underlying indemnity dispute at
2 the heart of this case, the Court finds that Plaintiffs’ requested information is discoverable
3 unless Defendants can show that the information is irrelevant or otherwise exempt from
4 discovery. In opposing Plaintiffs’ discovery requests, Defendants made no argument about
5 relevancy, proportionality, or other exemptions. (*Id.*). The Joint Motion reveals that
6 Defendants provided only “general objections” to the request. (*Id.*). Additionally, the Joint
7 Motion provides no justification, such as an objection to the scope of examination, for
8 Defendants’ failure to produce a Rule 30(b)(6) witness for deposition. At the October 10,
9 2024 hearing, Defendants provided no further explanation for their failure to produce the
10 documents and witness beyond arguing that Plaintiffs do not have standing to seek
11 reallocation of defense costs from Defendants in the insurance defense and indemnity
12 dispute at issue in this case.

13 Defendants’ “merits objections do not relieve it of its burden to produce relevant,
14 discoverable materials—particularly where discovery has not been stayed.” *Kimble v.*
15 *Specialized Loan Servicing, LLC*, No. 16CV2519-GPC (BLM), 2018 WL 1693197, at *4
16 (S.D. Cal. Apr. 6, 2018) (citation omitted); *see also Pershing Pac. W., LLC v. MarineMax,*
17 *Inc.*, No. 10-CV-1345-L DHB, 2013 WL 941617, at *2 (S.D. Cal. Mar. 11, 2013)
18 (“[A]lthough Defendants dispute whether Plaintiff actually experienced mechanical
19 problems, at this juncture in the litigation, Plaintiff is entitled to receive discovery based
20 on the claims alleged in the Second Amended Complaint.”). Defendants have not filed a
21 motion challenging Plaintiffs’ standing or seeking a stay of discovery, and they provide no
22 legal authority for their position that their standing objection relieves them of their
23 discovery obligations. All told, “Defendant[s]’ objection to Plaintiffs’ discovery requests .
24 . . . due to Plaintiffs’ alleged lack of standing is without legal or factual support.” *Kimble*,
25 2018 WL 1693197, at *4. As such, the Court will order Defendants to comply with
26 Plaintiffs’ requests.

27 ///

28 ///

1 **IV. CONCLUSION**

2 Defendants failed to provide an adequate objection to Plaintiffs' requests for the
3 policies and claim files at issue in this case and a Rule 30(b)(6) witness for deposition. The
4 Court will order Defendants to comply with Plaintiffs' requests by the deadlines provided
5 below. Additionally, Defendants are warned that if they fail to comply with the foregoing
6 order, the Court may, upon application by Plaintiffs, enter some or all of the sanctions
7 permitted under Fed. R. Civ. P. 37(b)(2).

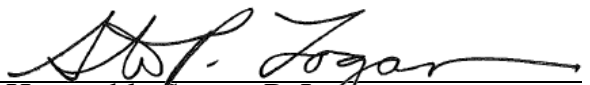
8 Accordingly,

9 **IT IS ORDERED** that the Joint Motion for Hearing re. Discovery Dispute (Doc.
10 93) is **granted** in favor of Plaintiffs in accordance with the terms of this Order.

11 **IT IS FURTHER ORDERED** that Defendants must comply with Plaintiffs'
12 Request for Production and turn over the insurance policies and relevant claim files at issue
13 in this case by **October 25, 2024**.

14 **IT IS FURTHER ORDERED** that Defendants must comply with Plaintiffs' Rule
15 30(b)(6) deposition notice as currently written by the close of discovery on **November 4,**
16 **2024**.

17 Dated this 17th day of October, 2024.

18
19
20 
21 Honorable Steven P. Logan
22 United States District Judge
23
24
25
26
27
28